

*With the compliments
of the Commissioners*

REPORT

OF THE

GOVERNOR AND COMMITTEE

OF THE

HUDSON'S BAY COMPANY.

TO BE

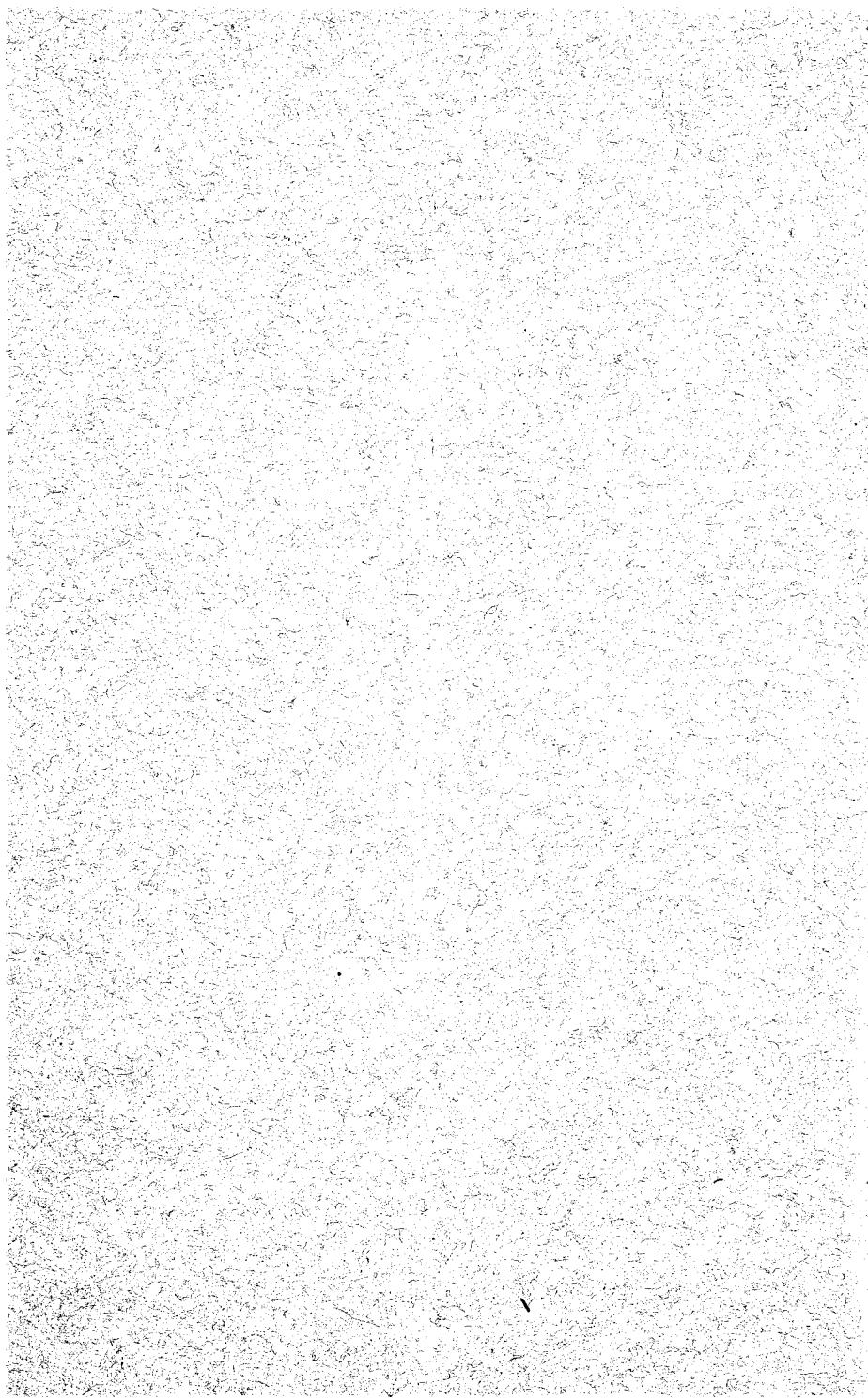
LAID BEFORE THE SHAREHOLDERS

ON MONDAY, JULY 17TH, 1893.

LONDON:

PRINTERS: SIR JOSEPH CAUSTON AND SONS,
9, EASTCHEAP, E.C., AND SOUTHWARK STREET, S.E.

1893.



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DIRECTORS.

Governor.

SIR DONALD A. SMITH, K.C.M.G.

Deputy-Governor.

THE EARL OF LICHFIELD.

Committee.

SANDFORD FLEMING, Esquire, C.M.G.

RUSSELL STEPHENSON, Esquire.

WALTER VAUGHAN MORGAN, Esquire.

THOMAS SKINNER, Esquire.

JOHN COLES, Esquire.

HUDSON'S BAY COMPANY.

A GENERAL COURT of the Governor and Company of Adventurers of England trading into Hudson's Bay will be held at the City Terminus Hotel, Cannon Street, on Monday, the 17th July next, at Twelve o'clock, when a Report from the Governor and Committee will be laid before the Shareholders, and a Dividend declared.

At this meeting Resolutions to the following effect will be submitted to the Shareholders :—

1. That in lieu of the share of profits of the Officers of the Company under the Deed Poll, an annual payment equal to the amount now payable to each Officer under the Guarantee be and is hereby assured to them, with one year's notice from the 1st June in any year for the termination of the engagement or service of any Officer, not dismissed without notice for wilful neglect of duty or other misconduct, and that there be continued to them the privilege granted by the Minute of the Board, dated 28th February, 1879, as follows :

" The Governor and Committee agree to allow Commissioned Officers who have not received compensation under the old Deed Poll one year's leave of absence preparatory to their retirement from the Service in terms of the present Deed Poll, on condition that the privilege shall not apply to more than three Officers retiring in any one year. The year's leave of absence to commence at the expiration of the year's notice required by the Deed Poll. " No Officer to acquire any vested interest under this resolution."

2. That there also be continued to them the privileges granted by the Minute of the Board, dated 23rd January, 1888, as follows :

" That in the event of the death of any of the Commissioned Officers who have not received compensation under the Old Deed Poll the Governor and Committee will agree to allow the representatives of such Officers the profits of the Outfit following that to which they have a claim under the Deed Poll, thus placing their representatives on the same footing as Officers who are entitled to one year's leave of absence preparatory to their retirement from the Service."

3. That from time to time Commissioned Officers shall be eligible for promotion according to merit to the different grades of Officers at present existing, with the guarantee above stated.

4. That Commissioned Officers on active service coming under the agreement proposed shall for a period of six years after retirement be entitled to an allowance from the Company equal to one-half of the remuneration to be assured to them respectively, unless neglect of duty or other sufficient cause renders it inexpedient in the opinion of the Board, and in the interests of the Company, to grant such retiring allowance. The continuance of the retiring allowance to be subject to the condition that the recipient shall enter into no business arrangement which either directly or indirectly may injuriously affect the Company's trade.

5. That the foregoing resolutions concerning the Officers of the Company take effect as from the 1st June, 1893, anything in the Deed Poll contained to the contrary notwithstanding.

In accordance with the provisions of the Company's Charters, the following Members of the Board retire by rotation and will be proposed for re-election : Mr. SANDFORD FLEMING, C.M.G., Mr. RUSSELL STEPHENSON, and Mr. THOMAS SKINNER.

Mr. THOMAS A. WELTON will be proposed for re-election to the office of Auditor of the Company.

The Transfer Books will be closed on the 1st July, and reopened on the 19th July.

By order of the Board,

W. WARE,

Acting Secretary.

HUDSON'S BAY HOUSE,
LONDON, 29th June, 1893.

REPORT.

THE Governor and Committee have now to submit to the Proprietors the Annual Accounts, which show a profit of £71,353 0s. 10d., to which must be added £17,763 7s. 2d. brought forward last year, making a total of £89,116 8s. 0d. Out of this sum they recommend a dividend of 12s. per share, which will absorb £60,000, leaving the sum of £29,116 8s. 0d. to be carried forward.

It is satisfactory to be able to state that the prices obtained at the Fur Sales held in January and March last, show a gratifying improvement over those of recent years.

The Board have given continued attention to further reductions in the cost of management, both in London and Canada, with the result that considerable savings have been effected in addition to those referred to in the last Report.

Regarding future prospects, it is of course difficult to anticipate with any degree of certainty, but the reports received from many of the Fur Trade Districts show considerable improvement over last year, and the Sale Shop business continues to increase in volume, notwithstanding the temporary depression caused by the low price of wheat.

The Land Account now submitted shows the cash receipts and disbursements for the year ending 31st March, 1893. The receipts amount to £39,027 3s. 11d., as compared with £37,034 2s. 9d. for the year ending 31st March, 1892.

The Sales during the past year have been as follows :—

Farm Lands—16,837 acres for ..	\$100,405
(Averaging \$5.96 per acre.)	
Town Lots—199 lots for ..	57,841
	—————
	\$158,246

as compared with those of the year
ending 31st March, 1892, viz.—

Farm Lands—17,599 acres for ..	\$104,501
(Averaging \$5.94 per acre.)	
Town Lots—119 lots for ..	55,025
	—————
	\$159,526

This result cannot be considered otherwise than satisfactory in view of the low prices, as above alluded to, for produce throughout the past year, and the consequent scarcity of money in the country.

With a view to arriving at a more satisfactory arrangement in respect of the guarantee to Commissioned Officers, the continuation of which was left by the Shareholders to the discretion of the Board, the Directors have been in communication with the Officers, and as a result now submit the Resolutions which are embodied in the notice of the meeting prefixed to this Report.

These Resolutions, which have been agreed to by the Commissioned Officers, provide for a fixed yearly payment to them under existing conditions with regard to their retirement, in lieu of a share of the profits of the Fur Trade under the Deed Poll.

Believing this arrangement will be alike advantageous to the Company and the Officers, the Governor and Committee recommend it to the Proprietors for adoption.

The Governor and Committee desire to record their deep regret at the sudden death, in January last, of their colleague,
Mr. THOMAS RANNIE GRANT.

The following members of the Board retire on the present occasion :—

Mr. SANDFORD FLEMING, C.M.G.,

Mr. RUSSELL STEPHENSON,

Mr. THOMAS SKINNER,

and they offer themselves for re-election.

Mr. THOMAS A. WELTON also offers himself for re-election as Auditor.

On behalf of the Governor and Committee,

DONALD A. SMITH,

Governor.

(1.) GENERAL ACCOUNT.

Exhibiting the results of trade of Outfit 1891; namely, from 1st June, 1891,

to 31st May, 1892.

Dr.	Cr.
To Inventories 1st June, 1891, viz.—	
General Goods	324,199 18 5
Advances from Outfit 1890	47,59 7 6
Ships & Steamers in Canada	32,503 17 5
Trading Stations (Buildings, &c.)	45,636 4 9
Cash at Trading Stations	19,659 3 7
Balances due by—	
Customers £74,667 0 4	
Clerks and Servants 3,541 8 2	
	78,208 8 6
<i>Less</i> Balances due to—	
Customers £9,759 11 1	
Clerks and Servants 12,908 0 1	
	22,667 11 2
" Goods purchased in England	524,699 9 0
" Payments in Canada (from proceeds of Bills drawn on London, and cash from Land Department) for Goods, Customs Duties and Freight	16,398 8 7
" Sundry Credits to Officers and Servants	180,892 4 6
	371,313 6 7
	<i>Less</i> Freight, Dock Charges, Insurance and Cartage 9,908 1 6
	301,262 17 1
	3,420 7 7
	13,237 3 9
	2,385 8 5
	15,622 12 2
	Inventories 31st May, 1892, viz.—
	General Goods
	Advances to Outfit 1892
	Ships & Steamers in Canada
	Trading Stations (Buildings, &c.)
	Cash at Trading Stations
	Balances due by—
	Customers £101,824 5 6
	Clerks and Servants
	3,713 6 7

(2.) APPROPRIATION ACCOUNT.

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Outfit 1891, and previous Outfits.

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HUDSON'S BAY COMPANY.

(3.) LAND ACCOUNT.

Dr. *Exhibiting the Cash Receipts and Disbursements, from 1st April, 1892, to 31st March, 1893.* Cr.

		£ s. d.	£ s. d.
To	Amount paid to Government on account of Surveys ..	1,174 9 3	By Cash received for Sales of Land :—
"	Municipal and other Taxes	12,317 15 7	Winnipeg
"	Repairs and Improvements	789 4 9	Victoria
"	Annual charge for depreciation of Buildings	2,389 18 10	Rat Portage
"	Salaries	905 19 0	Edmonton
"	Surveyors inspecting and reporting on Lands	906 3 6	Fort William
"	Office Expenses and Commission on Sales	814 13 0	Rosenmount
"	Legal Expenses	434 9 8	Other Town Lots
"	Share of London Expenses and Advertising	350 0 0	Farming Lands
"	Balance transferred to Profit and Loss Account No. 4	18,944 10 4	Interest on unpaid Instalments and Rents
		3,411 5 2	29,177 4 4
			9,849 19 7
			<u>£39,027 3 11</u>

HUDDSON'S BAY COMPANY.

(4.) PROFIT AND LOSS.

1st June, 1892, to 31st May, 1893.

¶r.

	£ s. d.	£ s. d.
To Commissioned Officers and Appropriation under Guarantee for Outfit 1891 ..	9,253 16 5	By Balance from Account No. 2
,, Interest on Officers' and Servants' Deposits ..	1,615 3 7	,, Balance of Interest on Fur Trade Account ..
,, Income Tax	1,057 9 6	,, Profit from Underwriting Account
,, Payment to Bishop of Rupert's Land, under agreement with the Company, and order of the Court of Chancery, dated December, 1849	300 0 0	,, Balance transferred from Land Account No. 3
,, Auditor's Fee	150 0 0	,, Dividends, Interest and Transfer Fees
,, Sundry payments not chargeable to General Account:—		
Share of London Salaries ..1,000 0 0		
Ditto London Rent and Taxes 440 0 0		
Printing, Stationery, Advertising, Telegrams, Postages and Law Charges .. 449 9 10		
,, Balance carried to General Profit and Loss Account (No. 5), being Net Profits ..	1,889 9 10	1,889 9 10
		71,353 0 10
		£85,619 0 2
		£85,619 0 2

HUDSON'S BAY COMPANY.

(5.) GENERAL PROFIT AND LOSS ACCOUNT.

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31st May, 1893.

(6.) **BALANCE-SHEET.**
31st May, 1893.

£ s. d. £ s. d. £ s. d. £ s. d.

To Capital—			By Cash in hand and on Deposit in
100,000 Shares of £20 each 2,000,000 0 0			London
Less return to Proprietors of £7 per Share .. 700,000 0 0			“ Sundry Investments in London .. 48,813 8 4
			“ Buildings in ” Canada 30,642 17 6
,, Amount due to Commissioned Officers and Servants on their Deposits in London.. 70,104 1 6			“ North West Territory .. 39,055 13 2
,, Amount due, as per Inventory 31st May, 1892, to—			Amount due by Commissioned Officers .. 118,511 19 0
Customers .. 12,071 18 8			“ Amount invested in the Fur Trade (exclusive of Goods in course of Shipment), viz. Valuation of Trading Goods, Provisions, Stores, &c., as per Inventory 31st May, 1892 .. 4,029 17 2
Clerks & Servants 13,487 5 8			Cash at Trading Stations, 25,558 19 4
,, Unpaid Dividends, and other Balances (exclusive of amount due in respect of Goods in course of shipment on 31st May, 1893, not included in assets <i>per contra</i>) .. 2,652 5 7			31st May, 1892 .. 535,270 16 7
” Marine Insurance Fund	98,315 6 5		Amount due as per Inventory 31st May, 1892 .. 14,861 2 6
” For Trade Fire Insurance Fund	50,000 0 0		Customers £101,824 5 6
” Undivided Profits, as per Account No. 5 .. 89,116 8 0			Clerks and Servants 3,713 6 7
			Advances in London for carrying on the Trade, subsequent to 31st May, 1892 .. 655,669 11 2
			Ocean Ships and Steamers employed in the Trade .. 8,003 13 4
			“ Balance represented by the remaining Property of the Company 105,537 12 1
			£1,557,431 14 5

I have examined the Books, Accounts, and Vouchers of the Company in London, and the various authenticated Statements and Certificates received from Canada, and I hereby certify that the Balance Sheet and Profit and Loss Accounts are in accordance therewith.

5, Moorgate Street, London, E.C.
29th June, 1893.

THOMAS A. WELTON,
(Welton, Jones & Co.)

